

HUMAN SERVICES BOARD

INTRODUCTION

FINDINGS OF FACT

2. In March 2009 the petitioner left the household with one of his children, and his girlfriend began receiving RUFA for herself and one child. That same month the petitioner lost his job and began receiving unemployment benefits.

3. The petitioner and his girlfriend reunited in May 2009, but shortly thereafter his girlfriend was incarcerated.

4. On June 12, 2009 the Department notified the petitioner that he was no longer eligible for transitional Medicaid effective July 1, 2009 because he was no longer employed. However, the Department found the petitioner eligible for VHAP as of that date subject to a monthly premium.

5. On July 9, 2009 the Department notified the petitioner's girlfriend that she was no longer eligible for RUFA (presumably effective August 1, 2009) due to the changes in household composition.

6. Shortly thereafter the petitioner applied for medical benefits for himself, and for Reach Up and Food Stamps for himself and his children.¹ The Department denied the applications for RUFA and Food Stamps due to excess income (the petitioner's unemployment benefits), but it found the petitioner eligible for Medicaid for the six-month period commencing August 1, 2009 subject to a "spenddown". It also found the petitioner still eligible for VHAP subject to his payment of a monthly premium.

¹ It appears that the petitioner's children have remained eligible for Medicaid throughout this time under Dr. Dynasaur.

7. It appears that the petitioner's girlfriend returned to the household in early August. On August 9, 2009 the petitioner applied for benefits for himself, his girlfriend, and both children. The Department again denied Food Stamps and RUFA due to excess income, but it found the petitioner eligible for VHAP (with a monthly premium of \$25) and for Medicaid subject to a spenddown of \$1,455.

8. The petitioner appealed these decisions on August 25, 2009. At a hearing held on September 10, 2009 the petitioner admitted that he had failed to pay his VHAP premium and that his coverage for that program had lapsed effective September 1, 2009. However, the petitioner argued that he should still be eligible for "transitional" Medicaid without a spenddown because his receipt of unemployment compensation should not be treated any differently than his wages were when he was employed.²

ORDER

The Department's decision is affirmed.

² At the hearing the petitioner was advised that whatever the outcome of his appeal he should immediately reapply for VHAP and timely pay his premiums.

REASONS

Under the Medicaid regulations all earned and unearned income, including unemployment compensation, must be counted in determining financial eligibility. W.A.M. § 4381. The above notwithstanding, the Department's regulations contain "exceptions" that include providing monetary incentives to encourage individuals in households receiving RUFA to obtain work without the household losing its Medicaid benefits. It appears that prior to March 2009 the petitioner was eligible for "transitional" Medicaid based on this exception.

However, W.A.M. § 4312.1F provides that an individual from a former RUFA household can receive "transitional" Medicaid coverage only if the entire RUFA household "continues to be eligible under this coverage group without interruption". As noted above, the petitioner's original Medicaid "group", which had consisted of himself, his girlfriend and their two children, underwent several changes in its composition between March and August 2009, and its eligibility for Reach Up had been terminated effective July 1, 2009. There is no dispute that first the petitioner then his girlfriend left the household during this period, with the children also being separated from each other for a time. Thus, there is no question that the original household's

eligibility for RUFA, and with it the petitioner's eligibility for "transitional" Medicaid, was "interrupted" during this time.

Accordingly, when the petitioner reapplied for medical coverage in July and August 2009 the regulations required the Department to count his unemployment benefits as income, and to determine his eligibility for Medicaid and VHAP based on the general income rules applicable to those programs. The petitioner does not dispute that the Department, as of August 1, 2009, correctly determined the *amount* of his income for both Medicaid and VHAP, and that it correctly applied the income eligibility limits for those programs. (See Procedures Manual § 2420.)

Inasmuch as there is no question that the Department's decisions in this matter accurately reflected the petitioner's countable income and expenses as of August 2009, and that his eligibility for Medicaid and VHAP was determined in accord with the applicable regulations, the Board is bound by law to affirm those decisions. 3 V.S.A. § 3091(d), Fair Hearing Rule No. 1000.4D.

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